

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

The Vision

The Workforce Training and Education Coordinating Board is Washington State's valued and trusted source of leadership for the workforce training and education system.

Mission Statement

The Workforce Training and Education Coordinating Board's mission is to bring business, labor, and the public sector together to shape strategies to best meet the workforce training needs of all of Washington's students, workers, and employers in order to create and sustain a high-skill, high-wage economy.

To fulfill this mission, Board members and staff work together to:

- Advise the Governor and Legislature on workforce training and education policy.
- Promote a system of workforce training and education that responds to the lifelong learning needs of the current and future workforce.
- Advocate for the nonbaccalaureate training and education needs of workers and employers.
- Facilitate innovations in policy.
- Ensure system quality and accountability by evaluating results and supporting high standards and continuous improvement.

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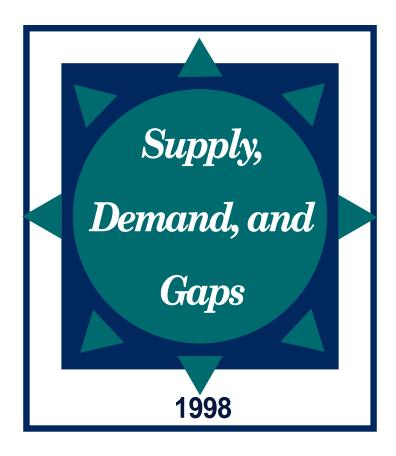
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Executive Director

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This publication is available in alternative format upon request.

Workforce Training



EXECUTIVE SUMMARY

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Executive Summary

This report identifies the gaps between supply and demand for training in Washington and recommends strategies for reducing them. The Workforce Training and Education Coordinating Board (WTECB) prepared this report in response to an assignment established in RCW 28C.18.090.

To assess the supply and demand for training, the report considers the perspectives of both employers and workers, and separately analyzes the needs of three groups:

- 1. Youth
- 2. Adults
- 3. Adults With Barriers to Employment

The strategies for reducing the gaps include both changes in the way we do business and growth in the supply of training in order to better meet demand. Consistent with the mission of WTECB, this report emphasizes training for jobs that do not require a bachelor degree—80 percent of all jobs.

The following are the major findings and recommended strategies. Most of the strategies do not require additional appropriations beyond current budget levels.

Shortage of Skilled Workers

- There is a shortage of skilled workers, and it has been getting worse during continued economic growth. In 1995, 55 percent of employers had difficulty finding qualified job applicants. In 1997, 73 percent of Washington employers had difficulty finding qualified job applicants in the last 12 months.
- The most severe shortage is for workers with a postsecondary vocational diploma or certificate. Adjusting employer responses to reflect the makeup of their workforce, 64 percent of employers had *much* difficulty finding qualified applicants. This is higher than the percentage reporting *much* difficulty in finding workers *at any other level* of education.

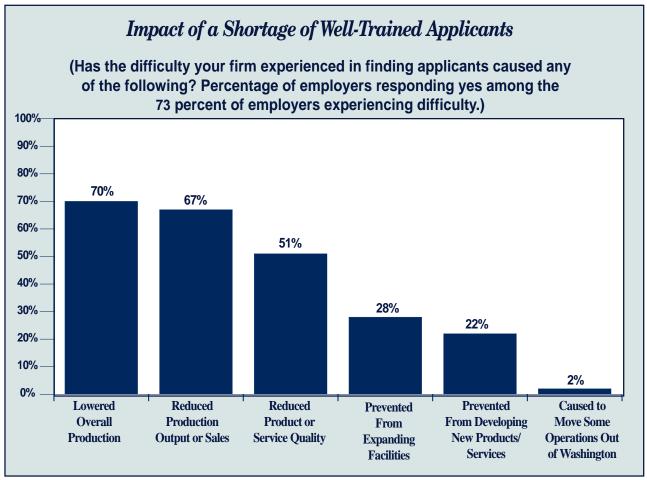
- The shortage of skilled labor is affecting the state's opportunity for further economic growth. Seventy percent of employers say the difficulty in finding qualified job applicants has lowered overall productivity, and 67 percent say it has reduced production output or sales. (See Figure 1.)
- Jobs requiring no education beyond high school will, however, remain a substantial share of employment, although wages will be relatively low compared to jobs requiring higher skills.

Youth

Supply, Demand, and Gaps

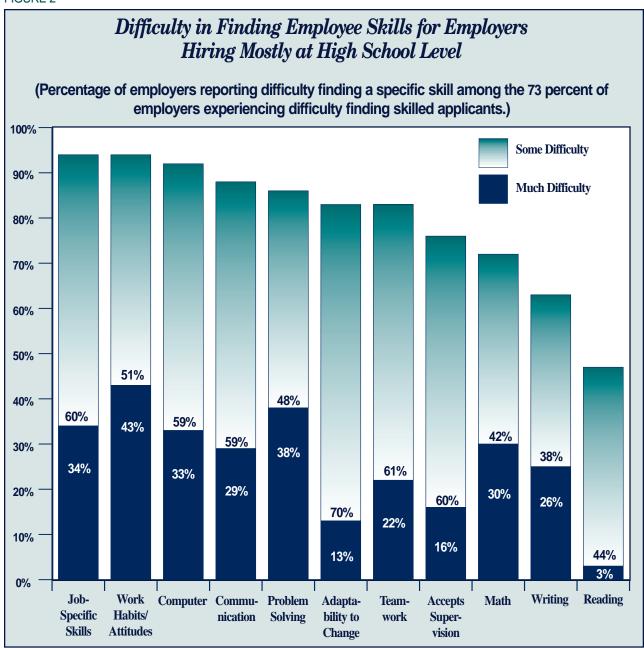
- Employers anticipate a significant decline in the hiring of workers without a high school diploma.
- Employers who hire workers
 with only a high school education
 most frequently report difficulty
 finding job applicants with job specific skills, computer skills,
 and general workplace skills, such
 as good work habits and attitudes,
 communication skills, and the

FIGURE 1



- ability to solve problems. Job applicants with basic skills are less difficult to find. (See Figure 2.)
- The number of secondary school youth will rise 14 percent in the next 5 years after which growth will be slower.
- Federal funds that provide employment and training services to economically disadvantaged youth have been significantly reduced in recent years.

FIGURE 2



Strategies to Reduce the Gaps

Changing the Way We Do Business

- Education Reform: Continue education reform, especially progress on state education goals 3 and 4, which include the ability to solve problems and understand future career opportunities and the importance of work.
- School-to-Work Transition: Continue the development of a school-to-work transition system—combining vocational and academic education, integrating classroom and work-based learning, and articulating K–12 education with continued postsecondary education.
- Vocational Education: Continue improving vocational education by:
 1) increasing the academic content of vocational programs;
 2) increasing the use of career clusters;
 3) improving the capacity to measure student results.

Growth

 Secondary Vocational-Technical Education: Add 9,880 secondary vocational-technical education student FTEs by the 2003–04 school year in order to match demographic growth and maintain current participation rates.

(Strategies for out-of-school youth are included below under strategies for individuals with barriers to employment.)

Adults

Supply, Demand, and Gaps

- There is a substantial gap between supply and demand for workers with two or three years of postsecondary training. There are about 38,000 projected net job openings per year for workers with postsecondary vocational training, yet the state produces less than 20,000 graduates at this level per year. (See Figure 3.)
- There is an additional gap in meeting employer and worker demand for upgrading current workers' skills. Surveys of employers and adults indicate that there is demand for about 300,000 training "episodes" per year. It appears that the present system falls short of meeting this demand by over 100,000 training episodes per year. Moreover, the demand for upgrading will increase with population growth and increasing occupational technical skill requirements.
- The state's Worker Retraining Program (ESHB 1988) provides retraining for about 12,000 dislocated and other unemployed workers per year. Funding is scheduled to expire June 30, 1999.

- The Job Skills Program: Washington's program for customized training linked to particular employers and job openings, is funded at one-tenth of the national average for state-funded, customized training programs.
- Most employers do not provide even four hours per year of classroom training to the majority of their production or service workers.

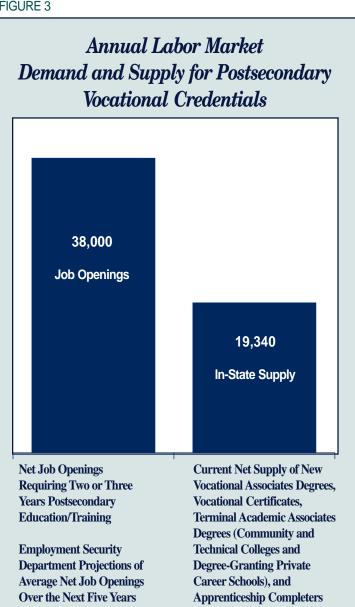
Strategies to Reduce the Gaps

Changing the Way We Do Business

- Compress Adult Vocational Training: The community and technical colleges should compress the amount of time spent completing training programs in order to reduce the time participants spend out of the workforce and the time employers must wait for training to be completed.
- Job-Linked Training: The state should ensure funding for customized training linked to specific job openings. Such funding could provide retraining for dislocated workers, skills upgrading for incumbent workers, and provide training for workers with barriers to employment, including low income workers and those moving off welfare, among others.
- *One-Stop Career Centers:* The state should proceed with the implementation of a system of One-Stop Career Centers in order to serve customers

more efficiently. One-Stop Career Centers will provide access to basic employment-related services such as assessment and counseling, information about government programs, labor market information, consumer information about training provider results, and job placement assistance.

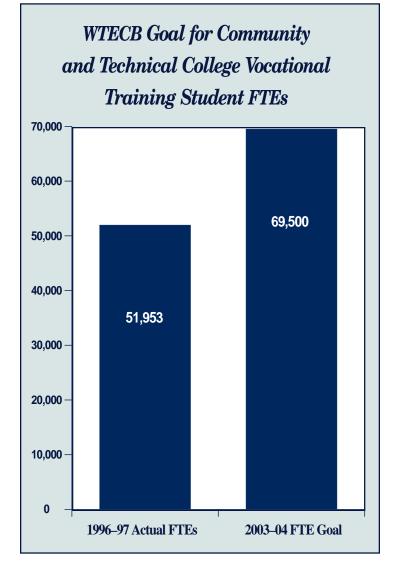
FIGURE 3



Growth

- Community and Technical College Training Capacity: Add 17,600 community and technical college vocational training student FTEs by the 2003-04 school year, an average of 3,520 more FTEs each year for 5 years. (See Figure 4.)
- Private Career School Capacity: Encourage private career schools to increase enrollment about 7 percent by the 2003-04 school year.
- Employer Training Tax Incentives:
 Consider tax incentives to increase employer investments in training.

FIGURE 4



Adults With Barriers to Employment

Supply, Demand, and Gaps

- There are over 250,000 economically disadvantaged adults in Washington State. Roughly one-third receive some training or postsecondary education during a year.
- At least 200,000 Washington adults are deficient at the most basic skill level tested by the State Adult Literacy Survey. About 60,000 adults with basic literacy needs participate in adult literacy programs per year.
- Only 10 percent of employers provide even 4 hours of basic skills instruction per year to any employees.

Strategies to Reduce the Gaps

Changing the Way We Do Business

Performance-Based Funding:
 Increase the ways that adult basic skills instruction and the Job Training Partnership Act (JTPA) Title II for the economically disadvantaged use performance-based funding.

- Integration of Basic Skills With Work and Vocational Training: Increase the integration of basic skills instruction with workplace experience and vocational training.
- Coordination of Adult Basic Skills Programs: Create a new Washington State Plan for Adult Literacy.

Growth

• Community and Technical College Basic Skills Capacity: Add at least 420 adult basic skills student FTEs in work-related adult basic skills education between the 1999-2000 and the 2003-04 school years in order to match demographic growth and maintain current participation rates.

Systemwide Strategies to Reduce the Gaps

Changing the Way We Do Business

 Regional Alliances: Pilot voluntary regional alliances of business, labor, and the public sector. The alliances will assess needs, analyze resources, evaluate results, and create strategic plans for workforce development in their region.

Vertical Integration—Linking Programs for Sequential Skill Development: Operating agencies in the workforce development system should ensure that all programs end in a competency-based credential fully accepted by the next level of learning. WTECB, in coordination with state and local partners, will establish a working committee to review efforts to identify the core workplace competencies needed for entry-level workers. The committee will then propose next steps to facilitate development of a credential to be issued upon attaining those competencies.

Workforce Training: Supply, Demand, and Gaps Executive Summary Customer Satisfaction Survey

The Workforce Training and Education Coordinating Board is committed to high quality customer satisfaction and continuous improvement. You can help us meet our commitment by completing this form, detaching it, and mailing it in. Please circle the words that best answer the following questions. In the space provided please elaborate on your response, if appropriate. Alternatively, you may access a form on our website and complete it electronically.

1.	How useful are the ideas presented in this report?	Not Useful	Somewhat Useful	Very Useful		
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